REMARKS

This application has been reviewed in light of the Office Action dated September 4, 2008. Claims 1-4, 9-23, and 41-61 are presented for examination, of which Claims 1 and 41 are in independent form. Claims 1-4, 9-17, 19-23, and 41-61 have been amended to define Applicants' invention more clearly. Favorable reconsideration is requested.

The Office Action states that Claims 48-61 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite. Applicants have carefully reviewed and amended Claims 48-61, as deemed necessary, to ensure that they conform fully to the requirements of Section 112, second paragraph, with special attention to the points raised in section 5 of the Office Action. It is believed that the rejection under Section 112, second paragraph, has been obviated, and its withdrawal is therefore respectfully requested.

The Office Action states that Claims 1-4 and 9-23 are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter; and Claims 41-61 are rejected under 35 U.S.C. § 101 as being directed to neither a process, a machine, a manufacture, nor a composition of matter, but rather embrace and/or overlap multiple statutory classes of invention. Applicants have carefully reviewed and amended Claims 1-4, 9-17, 19-23, and 41-61, as deemed necessary, to ensure that they conform fully to the requirements of 35 U.S.C. § 101, with special attention to the points raised in sections 8 through 11 of the Office Action. It is believed that the rejections under 35 U.S.C. § 101 have been obviated, and their withdrawal is therefore respectfully requested.

The Office Action states that Claims 1-4, 9-23, and 41-45 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,173,269 (*Solokl et al.*); and Claims 47-61 are rejected under 35 U.S.C. § 103(a) as being unpatentable over *Solokl et al.*, in view of

U.S. Patent Appln. Pub. No. 2002/0016769 (*Barbara et al.*). Applicants submit that independent Claims 1 and 41, together with the claims dependent therefrom, are patentably distinct from the cited prior art for at least the following reasons.

The aspect of the present invention set forth in amended Claim 1 is directed to a method for administering a subsidiary account. Notable features of Claim 1 are "determining an exchange rate corresponding to the currency of the first country and a currency of a second country distinct from the first country" and "determining, by the parent system, an effective time period associated with the exchange rate . . . , wherein, during the effective time period, purchases made using the subsidiary account in the currency of the second country are converted into the currency of the first country according to the exchange rate." (Emphasis added.) By virtue of these features, a parent may create a subsidiary credit card for a child to use in a foreign country, while eliminating risks associated with fluctuations in currency exchange rates. The parent may negotiate with a subsidiary credit card issuer such that the subsidiary card is subject to a fixed foreign currency exchange rate for a fixed term (*e.g.*, a three month period during which a child will be taking classes in a foreign country).[1]

Solokl et al., as best understood by Applicants, relates to a method for executing electronic commercial transactions with minors. A virtual automatic teller machine (VATM) allows a parent to transfer funds from an existing account into an Internet passport account. A minor can use the Internet passport account to complete transactions with merchants over an electronic network. The passport account can also be used by the minor to shop internationally. Apparently, *Solokl et al.'s* international transactions are subject to simple currency conversions. *Solokl et al.*, col. 9, lines 54-56. This is in stark contrast to the method of Claim 1 including

[1] The example(s) provided herein are intended to be illustrative and are not to be construed to limit the scope of the claims.

"determining an exchange rate corresponding to the currency of the first country and a currency of a second country distinct from the first country" and "determining, by the parent system, an effective time period associated with the exchange rate . . . , wherein, during the effective time period, purchases made using the subsidiary account in the currency of the second country are converted into the currency of the first country according to the exchange rate." (Emphasis added.)

Nothing has been found in *Solokl et al.* that is believed to teach, suggest, or otherwise result in the "determining" features discussed above in connection with amended Claim 1. Indeed, the simple currency conversions of the *Solokl et al.* system do not provide for exchange rates subject to any negotiation, much less subject to negotiation involving a parent.

Accordingly, Applicants submit that Claim 1 is not anticipated by *Solokl et al.*, and respectfully request withdrawal of the rejection under 35 U.S.C. § 102(e).

Independent Claim 41 includes features similar to those discussed above in connection with Claim 1. Therefore, Claim 41 also is believed to be patentable for at least the same reasons as discussed above. Additionally, the other rejected claims in this application depend from one or another of the independent claims discussed above and, therefore, are submitted to be patentable for at least the same reasons. Since each dependent claim also is deemed to define an additional aspect of the invention, individual reconsideration of the patentability of each claim on its own merits is respectfully requested.

A review of *Barbara et al.* has failed to reveal anything which, in Applicants' opinion, would remedy the deficiencies of *Solokl et al.* as applied against the independent claims herein.

In view of the foregoing amendments and remarks, Applicants respectfully request favorable reconsideration and early passage to issue of the present application.

No petition to extend the time for response to the Office Action is deemed necessary for this Amendment. If, however, such a petition is required to make this Amendment timely filed, then this paper should be considered such a petition and the Commissioner is authorized to charge the requisite petition fee to Deposit Account 50-3939.

Applicants' undersigned attorney may be reached in our New York Office by telephone at (212) 218-2100. All correspondence should continue to be directed to our address listed below.

Respectfully submitted,

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